

House Study Bill 65

SENATE/HOUSE FILE _____
BY (PROPOSED ETHICS AND
CAMPAIGN DISCLOSURE BOARD
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to campaign finance committee reporting, use of
2 committee funds or property, independent expenditures,
3 placement of campaign signs, and use of public resources.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1186DP 81
6 jr/cf/24

PAG LIN

1 1 Section 1. Section 68A.102, subsection 9, Code 2005, is
1 2 amended to read as follows:

1 3 9. "Consultant" means a person who provides or procures
1 4 services ~~for or on behalf of a candidate~~ including but not
1 5 limited to consulting, public relations, advertising,
1 6 fundraising, polling, managing or organizing services.

1 7 Sec. 2. Section 68A.203, subsection 2, Code 2005, is
1 8 amended to read as follows:

1 9 2. An individual who receives contributions for a
1 10 committee without the prior authorization of the chairperson
1 11 of the committee or the candidate shall be responsible for
1 12 either rendering the contributions to the treasurer within
1 13 fifteen days of the date of receipt of the contributions, or
1 14 depositing the contributions in the account maintained by the
1 15 committee within seven days of the date of receipt of the
1 16 contributions. A person who receives contributions for a
1 17 committee shall, not later than fifteen days from the date of
1 18 receipt of the contributions or on demand of the treasurer,
1 19 render to the treasurer the contributions and an account of
1 20 the total of all contributions, including the name and address
1 21 of each person making a contribution in excess of ten dollars,
1 22 the amount of the contributions, and the date on which the
1 23 contributions were received. The treasurer shall deposit all
1 24 contributions within seven days of receipt by the treasurer in
1 25 an account maintained by the committee. All funds of a
1 26 committee shall be segregated from any other funds held by
1 27 officers, members, or associates of the committee or the
1 28 committee's candidate. However, if a candidate's committee
1 29 receives contributions only from the candidate, or if a
1 30 permanent organization temporarily engages in activity which
1 31 qualifies it as a political committee and all expenditures of
1 32 the organization are made from existing general operating
1 33 funds and funds are not solicited or received for this purpose
1 34 from sources other than operating funds, then that committee
1 35 is not required to maintain a separate account in a financial
2 1 institution. Committee funds or committee property shall not
2 2 be used for the personal benefit of an officer, member, or
2 3 associate of the committee. The funds of a committee are not
2 4 attachable for the personal debt of the committee's candidate
2 5 or an officer, member, or associate of the committee.

2 6 Sec. 3. Section 68A.304, Code 2005, is amended by adding
2 7 the following new subsection:

2 8 NEW SUBSECTION. 3. Consumable campaign property may be
2 9 disposed of in any manner by the candidate's committee. A
2 10 candidate's committee shall not transfer consumable campaign
2 11 property to another candidate without receiving fair market
2 12 value compensation unless the candidate in both campaigns is
2 13 the same person.

2 14 Sec. 4. Section 68A.304, subsection 1, paragraph d, Code
2 15 2005, is amended to read as follows:

2 16 d. Consumable campaign property is not required to be
2 17 reported as committee inventory, regardless of the initial

2 18 value of the consumable campaign property. "Consumable
2 19 campaign property", for purposes of this section, means
2 20 stationery, ~~yard~~ campaign signs, and other campaign materials
2 21 that have been permanently imprinted to be specific to a
2 22 candidate or election.

2 23 Sec. 5. Section 68A.402, subsection 6, paragraphs a and b,
2 24 Code 2005, are amended to read as follows:

2 25 a. A state statutory political committee shall file a
2 26 report on the same dates as a candidate's committee is
2 27 required to file reports under subsection 2, ~~paragraph~~
2 28 ~~paragraphs "a" and subsection 5, paragraph "b" "c".~~

2 29 b. A county statutory political committee shall file a
2 30 report on the same dates as a candidate's committee is
2 31 required to file reports under subsection 2, ~~paragraph~~
2 32 ~~paragraphs "a" and subsection 5, paragraph "b" "c".~~

2 33 Sec. 6. Section 68A.402, subsection 7, paragraphs a and b,
2 34 Code 2005, are amended to read as follows:

2 35 a. STATEWIDE OFFICE AND GENERAL ASSEMBLY ELECTIONS.

3 1 ELECTION YEAR. A political committee expressly advocating
3 2 the nomination, election, or defeat of candidates for
3 3 statewide office or the general assembly shall file a report
3 4 on the same dates as a candidate's committee is required to
3 5 file reports under subsection 2, paragraph "a".

3 6 NONELECTION YEAR. A political committee expressly
3 7 advocating the nomination, election, or defeat of candidates
3 8 for statewide office or the general assembly shall file a
3 9 report as follows:

3 10 Report due:	Covering period:
3 11 January 19 (next July 19	January 1 through
3 12 calendar year)	June 30
3 13 July 19 January 19 (next	July 1 through
3 14 calendar year)	December 31

3 15 b. COUNTY ELECTIONS. A political committee expressly
3 16 advocating the nomination, election, or defeat of candidates
3 17 for county office shall file reports on the same dates as a
3 18 candidate's committee is required to file reports under
3 19 subsection 2, ~~paragraph~~ paragraphs "a" and subsection 5,
3 20 ~~paragraph "b" "c".~~

3 21 Sec. 7. Section 68A.402, subsection 8, Code 2005, is
3 22 amended to read as follows:

3 23 8. POLITICAL COMMITTEES == BALLOT ISSUES. A political
3 24 committee expressly advocating the passage or defeat of a
3 25 ballot issue shall file reports ~~on the same dates as~~
3 26 ~~candidates for city office are required to file reports under~~
3 27 ~~subsection 3. as follows:~~

3 28 a. ELECTION YEAR. Five days before the election covering
3 29 the period of the date of initial activity through ten days
3 30 before election.

3 31 b. NONELECTION YEAR. On January 19 of the next calendar
3 32 year that covers the time period of nine days before the
3 33 election through December 31.

3 34 Sec. 8. Section 68A.402, subsection 10, Code 2005, is
3 35 amended to read as follows:

4 1 10. ELECTION YEAR DEFINED. As used in this section,
4 2 "election year" means a year in which the name of the
4 3 candidate or ballot issue that is expressly advocated for or
4 4 against appears on any ballot to be voted on by the electors
4 5 of the state of Iowa. For state and county statutory
4 6 political committees, and all other political committees
4 7 except for political committees that advocate for or against
4 8 ballot issues, "election year" means a year in which primary
4 9 and general elections are held.

4 10 Sec. 9. Section 68A.404, subsection 1, Code 2005, is
4 11 amended to read as follows:

4 12 1. As used in this section, "independent expenditure"
4 13 means an expenditure one or more expenditures in excess of
4 14 seven hundred fifty dollars in the aggregate for a

4 15 communication that expressly advocates the nomination,
4 16 election, or defeat of a clearly identified candidate or the
4 17 passage or defeat of a ballot issue that is made without the
4 18 prior approval or coordination with a candidate, candidate's
4 19 committee, or a ballot issue committee.

4 20 Sec. 10. Section 68A.404, subsection 2, Code 2005, is
4 21 amended by striking the subsection and inserting in lieu
4 22 thereof the following:

4 23 2. A person, other than a committee registered under this
4 24 chapter, that makes one or more independent expenditures shall
4 25 file an independent expenditure statement.

4 26 a. The filing of an independent expenditure statement
4 27 under this section does not alone require the person filing
4 28 the independent expenditure statement to register and file

4 29 reports under sections 68A.201 and 68A.402.

4 30 b. This section does not apply to a candidate, candidate's
4 31 committee, state statutory political committee, county
4 32 statutory political committee, or a political committee.

4 33 Sec. 11. Section 68A.404, subsection 3, Code 2005, is
4 34 amended by striking the subsection.

4 35 Sec. 12. Section 68A.405, subsection 2, paragraph b, Code
5 1 2005, is amended to read as follows:

5 2 b. Small items upon which the inclusion of the statement
5 3 is impracticable including, but not limited to, yard campaign
5 4 signs, bumper stickers, pins, buttons, pens, political
5 5 business cards, and matchbooks.

5 6 Sec. 13. Section 68A.406, subsection 1, paragraph f, Code
5 7 2005, is amended to read as follows:

5 8 f. Property leased by a candidate, committee, or an
5 9 organization established to advocate the nomination, election,
5 10 or defeat of a candidate or the passage or defeat of a ballot
5 11 issue that has not yet registered pursuant to section 68A.201,
5 12 when the property is used as campaign headquarters or a
5 13 campaign office and the placement of the sign is limited to
5 14 the space that is actually leased.

5 15 Sec. 14. Section 68A.406, subsection 2, Code 2005, is
5 16 amended by adding the following new paragraphs:

5 17 NEW PARAGRAPH. e. Within thirty feet of an absentee
5 18 voting site during the hours when absentee ballots are
5 19 available in the office of the county commissioner of
5 20 elections as provided in section 53.10.

5 21 NEW PARAGRAPH. f. Within thirty feet of a satellite
5 22 absentee voting station during the hours when absentee ballots
5 23 are available at the satellite absentee voting station as
5 24 provided in section 53.11.

5 25 Sec. 15. Section 68A.406, subsection 3, Code 2005, is
5 26 amended to read as follows:

5 27 3. Yard Campaign signs with dimensions of thirty-two
5 28 square feet or less are exempt from the attribution statement
5 29 requirement in section 68A.405. Campaign signs in excess of
5 30 thirty-two square feet, or signs that are affixed to buildings
5 31 or vehicles regardless of size except for bumper stickers, are
5 32 required to include the attribution statement required by
5 33 section 68A.405. The placement or erection of yard campaign
5 34 signs shall be exempt from the requirements of chapter 480
5 35 relating to underground facilities organization information.

6 1 Sec. 16. Section 68A.503, subsection 4, paragraph c, Code
6 2 2005, is amended to read as follows:

6 3 c. The placement of yard campaign signs under section
6 4 68A.406.

6 5 Sec. 17. Section 68A.505, Code 2005, is amended to read as
6 6 follows:

6 7 68A.505 USE OF PUBLIC ~~MONEYS~~ RESOURCES FOR POLITICAL
6 8 PURPOSES.

6 9 The state and the governing body of a county, city, or
6 10 other political subdivision of the state shall not expend use
6 11 or permit the expenditure use of public ~~moneys~~ resources for
6 12 political purposes, including expressly advocating the passage
6 13 or defeat of a ballot issue.

6 14 This section shall not be construed to limit the freedom of
6 15 speech of officials or employees of the state or of officials
6 16 or employees of a governing body of a county, city, or other
6 17 political subdivision of the state. This section also shall
6 18 not be construed to prohibit the state or a governing body of
6 19 a political subdivision of the state from expressing an
6 20 opinion on a ballot issue through the passage of a resolution
6 21 or proclamation.

6 22 EXPLANATION

6 23 This bill contains a variety of revisions to the campaign
6 24 finance laws. The bill redefines consultant to include a
6 25 person providing services not only to a candidate, but also to
6 26 a person providing services to a ballot issue committee or a
6 27 political committee. Concerning the permissible use of
6 28 campaign contributions and property, this bill prohibits the
6 29 use of committee funds or property for the personal benefit of
6 30 committee officers, members, or associates. Consumable
6 31 campaign property cannot be transferred to another candidate
6 32 for less than fair market value compensation.

6 33 The bill establishes a requirement that state and county
6 34 statutory political committees must file reports on the same
6 35 dates required for a candidate's committee in both election
7 1 and nonelection years.

7 2 The bill changes the reporting deadline for a political
7 3 committee expressly advocating the nomination, election, or
7 4 defeat of candidates for statewide office or the general

7 5 assembly. In nonelection years the deadline for reporting,
7 6 for the period of the first half of the calendar year, was
7 7 January 19 of the following year, over six months after the
7 8 period ended. In this revision the deadline is moved up to
7 9 July 19, 19 days after the reporting period ends.

7 10 The bill changes the reporting deadline for a ballot issue
7 11 political committee. In an election year the committee must
7 12 file a report five days before the election covering the
7 13 period of the date of initial activity through 10 days before
7 14 election. In nonelection years the report must be filed on
7 15 January 19 of the next calendar year that covers the time
7 16 period of nine days before the election through December 31.

7 17 The bill amends the meaning of the term "election year" for
7 18 reporting purposes. Except for a ballot issue committee, the
7 19 term means a year in which primary and general elections are
7 20 held.

7 21 Relating to independent expenditures, the bill defines the
7 22 term to include one or more expenditures in excess of \$750 in
7 23 the aggregate. It also expands the coverage of the term to
7 24 include the nomination of a candidate as well as the election
7 25 or defeat of a candidate or the passage or defeat of the
7 26 ballot issue.

7 27 The bill amends current statutory language relating to
7 28 "ballot issue" campaign signs placed on property leased by a
7 29 candidate, committee, or an organization. The current
7 30 language is expanded to include campaign signs advocating the
7 31 nomination, election, or defeat of a candidate.

7 32 The bill recites in Code section 68A.406(2) the Code
7 33 chapter 53 prohibition of placement of campaign signs within
7 34 30 feet of the absentee voting site or satellite absentee
7 35 voting station during the hours when absentee ballots are
8 1 available in the office of the county commissioner of
8 2 elections or the voting station, respectively. The bill also
8 3 corrects a reference from yard signs to campaign signs.

8 4 Lastly, the bill revises a current prohibition against
8 5 using public moneys for political purposes, to more generally
8 6 prohibit the use of public resources for political purposes.

8 7 LSB 1186DP 81

8 8 jr/cf/24